

REMARKS

Claims 1-37 are pending for reconsideration, which is requested.

Claims 1-7, 15, 16, 27, 35-36, and 37 are rejected under 35 USC 103(a) as being unpatentable over Mizrah (US Patent no. 7,379,916) in view of Hird (US Patent No. 2002/0141575).

Claims 8, 10, 11, 17-26, 33 and 34 are rejected under 35 USC 103(a) as being unpatentable over Mizrah, Hird and Drummond (US Patent No. 7,025,256).

Claim 9 is rejected under 35 USC 103(a) as being unpatentable over Mizrah, Hird and Drummond and Beigel (US Patent No. 2003-0174049).

The independent claims are 1 and 37.

The Office Action Response to Arguments item 5 provides that the features "prompting input of a single parameter," "generating a second parameter," "based upon a changing key" and "identifying both consumer mobile device and consumer to the STS device" are not recited in the rejected claims. However, the language of claim 1 expressly provides "a mobile device of the consumer ... **storing a consumer mobile device parameter and a computer controller**

prompting input of a single parameter not to be stored in a permanent storage of the consumer mobile device as a first input non-transmitted parameter, and

generating a second parameter based upon the stored consumer mobile device parameter as a second generated non-transmitted parameter.

In addition, claim 1 expressly provides "wherein the consumer mobile device and the STS device controllers **verify ... based upon a changing key derived from both the first input non-transmitted parameter of the consumer mobile device and the second generated non-transmitted parameter of the consumer mobile device and identifying both the mobile device and the consumer to the STS device.**"

The Office Action page 3 relies upon Mizrah column 6, lines 24-47 and column 10, lines 57-67, to reject the claimed "changing key" and "input of single parameter," however, the Mizrah descriptions only generally discuss providing private and secure financial transactions and an account holder entering a PIN. In addition, the Office Action acknowledges that Mizrah does not discuss non-transmitted parameters. So the Office Action relies upon Hird. Hird FIG. 4 discusses a seed derivation module 120 that uses a masked seed and an input pin for generating a key. In contrast to Hird, the language of claim 1 requires "**generating a second**

parameter based upon the stored consumer mobile device parameter as a second generated non-transmitted parameter," providing a benefit of "verify ... based upon a changing key derived from both the first input non-transmitted parameter of the consumer mobile device and the second generated non-transmitted parameter of the consumer mobile device and identifying both the mobile device and the consumer to the STS device."

In other words, Hird generates the same key each time, while the language of claim 1 provides ***"generating a second parameter based upon the stored consumer mobile device parameter as a second generated non-transmitted parameter"*** providing a benefit of generating changing key, namely ***"changing key derived from both the first input non-transmitted parameter of the consumer mobile device and the second generated non-transmitted parameter of the consumer mobile device"*** and a benefit of ***"identifying both the mobile device and the consumer to the STS device."***

In addition, Hird is silent on ***"input of single parameter not to be stored in a permanent storage of the consumer mobile device."***

For example, paragraphs 57, 487, 523, 534-535 and 542, and FIG. 58 literally or expressly describe the claimed 'key derivation.'

Withdrawal of the rejection of claim 1 and allowance of claim 1 is requested.

Independent claim 37 has limitations similar to the discussed limitations of independent claim 1.

Dependent claims recite patentably distinguishing features of their own, or are at least patentably distinguishing due to their dependencies from the independent claims.

CONCLUSION

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this response, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,
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